



DEFENSE FINANCE AND ACCOUNTING SERVICE
ARLINGTON

1851 SOUTH BELL STREET
ARLINGTON, VA 22240-5291

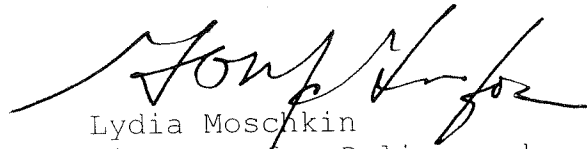
OCT 19 2005

DFAS-DOP

MEMORANDUM FOR DIRECTOR, CIVILIAN PAY OPERATIONS, DEFENSE
FINANCE AND ACCOUNTING SERVICE (PC/PE)

SUBJECT: Interim Change to the DoDFMR, Volume 8
(DFAS Item 08-B1)

Attachment 1 is Interim Change 05-CP2 to the DoDFMR, Volume 8. This change incorporates guidance that was previously disseminated to the DoD Components by memorandum dated September 23, 2002, to ensure proper and timely tax withholding and reporting (Attachment 2). Assignment of the interim change number is your authority to initiate a procedural modification to implement this change.


Lydia Moschkin
Director for Policy and
Requirements Management

Attachments:
As stated

cc:
OUSD(C) (ODCFO) ~~(FP)~~ (A+FP+A)
DFAS, General Counsel, Denver (ATTN: ANNE VONHOF)
National Security Agency (Attn: Brenda Zebron)
Dept of Energy
Dept of Health & Human Services
Service Liaisons

Government Provided Home-to-Work Transportation:

Insert subparagraph number "031503.A" for existing paragraph and add the following subparagraph 031503.B as follows:

"Employers will submit the required information to the servicing payroll office by December 1. However, DoD employing activities will not report on a calendar year basis. Rather, they will report for the 12-month period from November 1 - October 31. The value of the benefits received in November and December will be considered paid in the next year as authorized by the Internal Revenue Service Publication 15-B, Employer's Tax Guide to Fringe Benefits."



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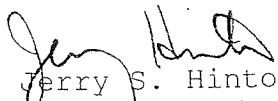
MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF THE ARMY
(FINANCIAL OPERATIONS)
DIRECTOR, OFFICE OF FINANCIAL OPERATIONS,
ASSISTANT SECRETARY OF THE NAVY (FINANCIAL
MANAGEMENT AND COMPTROLLER)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(FINANCIAL OPERATIONS)
DIRECTOR, ADMINISTRATION AND MANAGEMENT

SUBJECT: Home-to-Work Transportation Fringe Benefits

Currently, employing activities are required to submit the value of the home-to-work transportation fringe benefit received by authorized officials by December 1 of each year. This requirement is evidently resulting in either the submission of estimated information for the end of the calendar year or late reporting to the payroll office.

Employing activities will continue to submit the required information by December 1. However, in order to ensure proper and timely tax withholding and reporting, they will no longer report on a calendar year basis. For tax year 2002, employing activities will report for the 10-month period from January 1 to October 31, 2002. Beginning with tax year 2003, they will report for the 12-month period from November 1 - October 31.

The value of the benefits received in November and December will be considered paid in the next year as authorized by the Internal Revenue Service Publication 15-B, Employer's Tax Guide to Fringe Benefits. Please disseminate this guidance as required. Any questions pertaining to this matter should be directed to Mr. Paul Axe at (703) 607-5023.


Jerry S. Hinton
Director for Finance

cc:
DoD/DGC (Fiscal)